

Fast-Tracking the Lindi Jumbo Graphite Project



Highest Grade Graphite Project in Tanzania

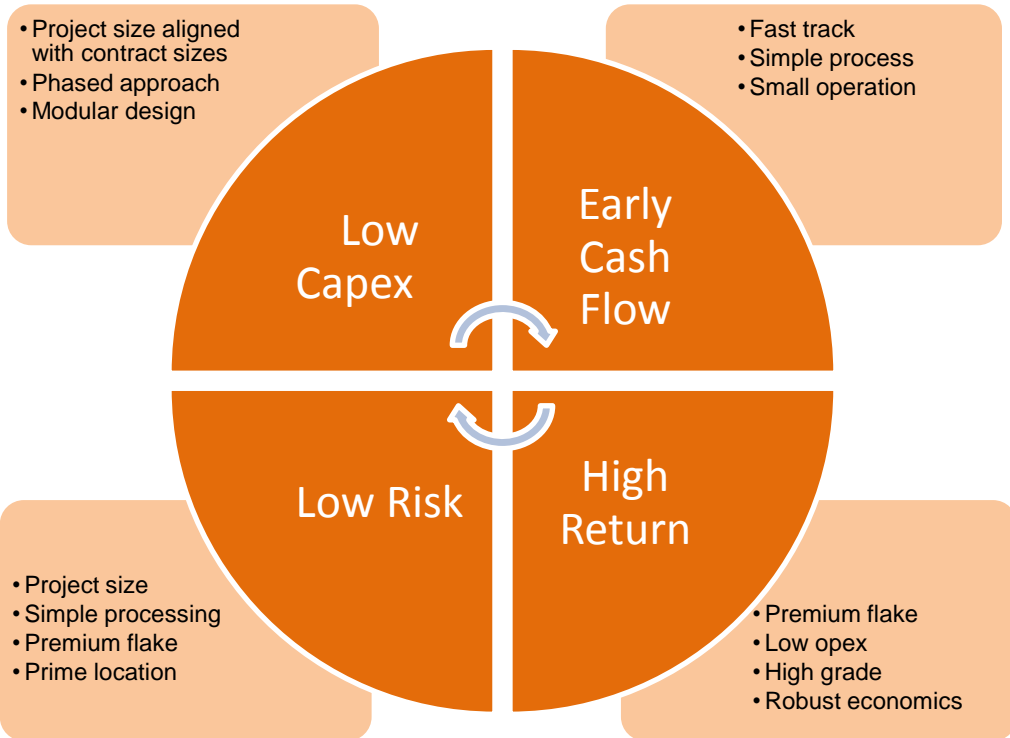


Walkabout holds 70% of package of four PL's in premium flake graphite area in SE Tanzania;

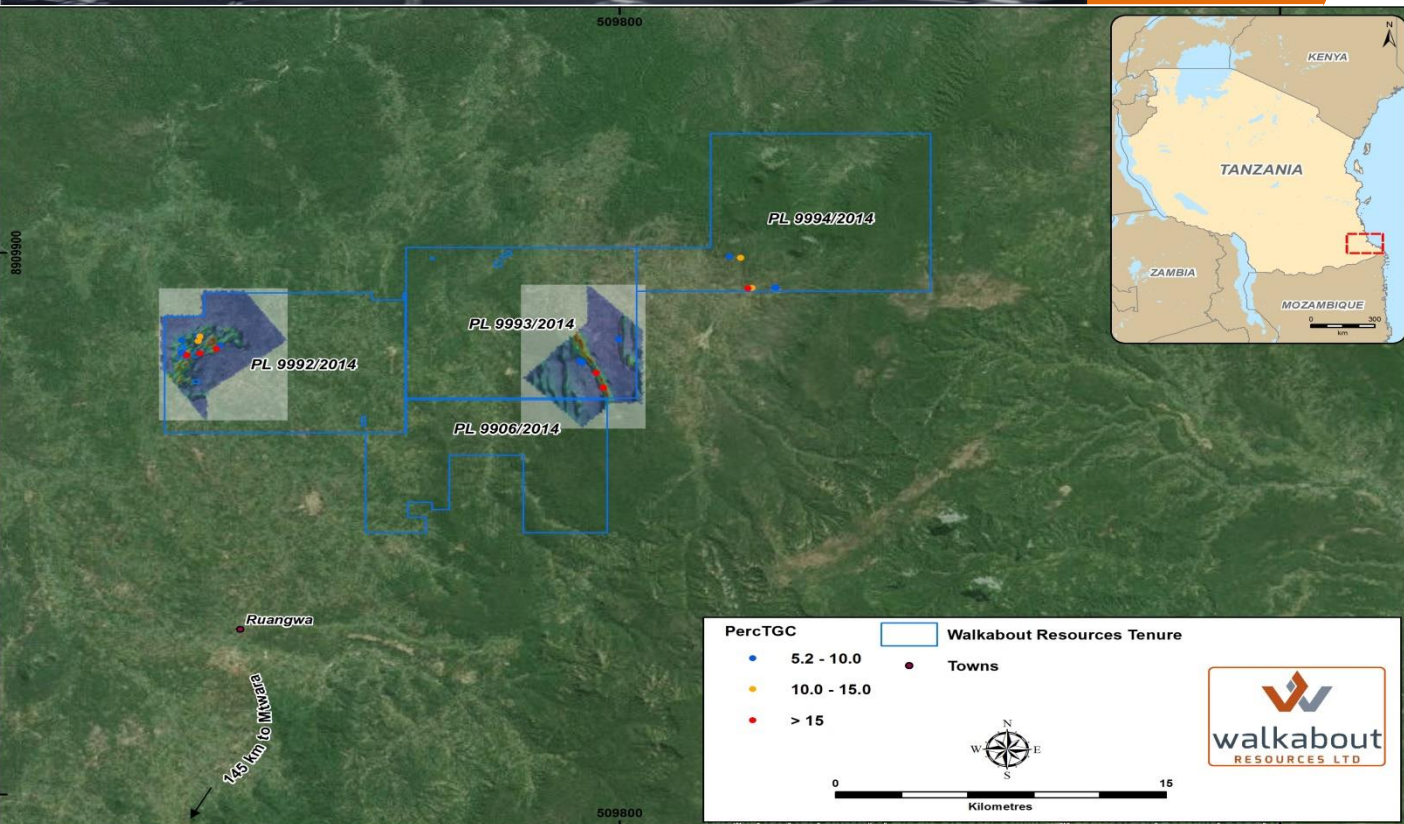
- Highest Grade Resource in Tanzania*
 - 11.7 million tonnes @ 11.9%TGC including,
 - 2.6 million tonnes @ 20.6% TGC as a discrete package.
 - Mineralisation from surface and continuous with strip ratio expected to be 1:1.
- High Grade mining package vastly improves project economics and robustness.
- Metallurgical test work confirms high recoveries of 98% and concentrate grades of +95% TGC.
 - Current optimum flake size distribution of 61% over large and 31% over Jumbo
 - Simple 100 P 850 grind rougher cleaner flotation with polishing into 2 stage cleaning
 - Many further options will optimise flake size distribution
- Forecast Basket price for 2020 off Stormcrow price prediction is between US\$1,500 and US\$2,000 per tonne graphite in concentrate.
- Modest and sensible project scale will reduce capex and risk and produce early cashflow.
- Project elements well advanced to produce graphite early 2017.

*2012 JORC Inferred Resource announced 19 January 2016

Low Capex Early Cashflow



Premium Flake Graphite Location



Half a million tonnes graphite at 20.6% TGC



Category	Domain	Tonnes (millions)	TGC (%)	V ₂ O ₅ (%)	Contained TGC (t)	Contained V ₂ O ₅ (t)
Inferred	1	6.9	8.9	0.19	611,000	13,000
Inferred	2¹	2.6	20.6	0.20	526,500	5,200
Inferred	3	2.2	11.7	0.19	258,500	4,300
Inferred	4 ²	3.7	3.9	0.04	146,000	1,600
Inferred	ALL	15.3	10.1	0.16	1,542,000	24,100
Inferred	Excluding Domain 4	11.7	11.9	0.19	1,396,000	22,500

¹ High grade core enveloped by Domain 1

² Low grade domain (eastern flank of The Gilbert Arc)

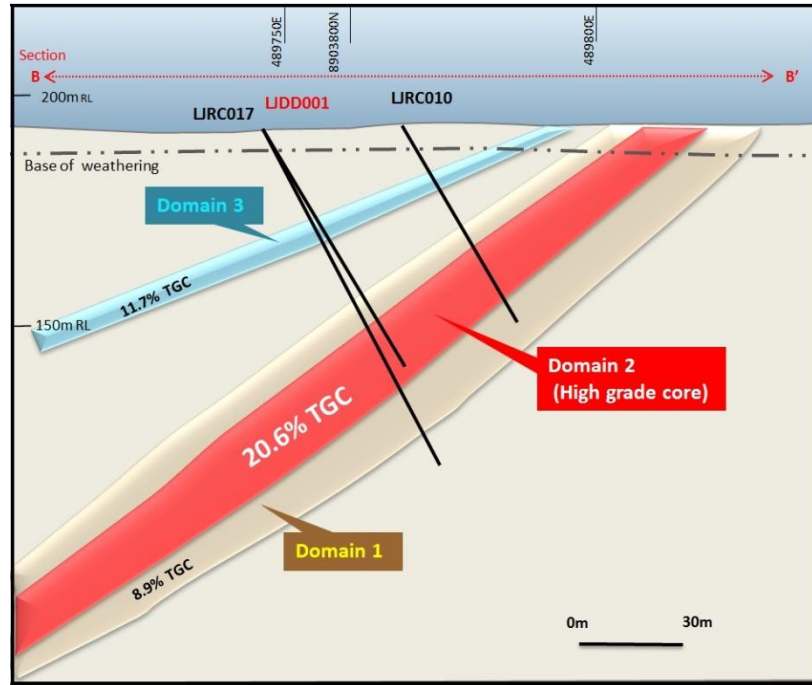
Note: Appropriate rounding applied

No changes have been made to this 2012 JORC Inferred Resource since it was announced

Optimising Resources



- Economic focus on 11.7 million tonnes @ 11.9%TGC
- Starter pit will be within the discrete section of 2.6 million tonnes @ 20.6%TGC for contained graphite of 526,500 tonnes graphite which is enveloped by domain 1 with 6.9m tonnes @ 8.9% TGC.
- This should be enough to produce 25,000 tonnes per annum for +15 years.
- This package is wide, discrete and can be easily be mined from surface by open cut.
- We have identified several other high grade target areas in the licences with drill ready targets to be followed up on at a later stage.

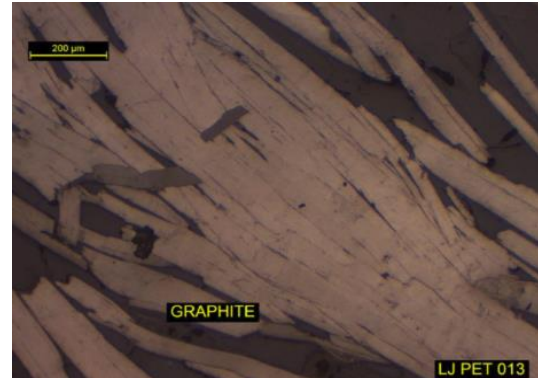
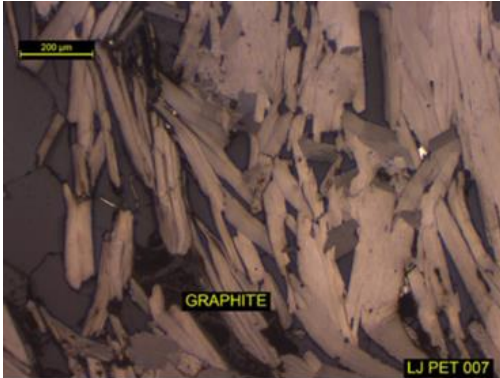


Section through Target Mining Area.
Note high grade package width of +25m

High Ratio of Jumbo Flakes



Petrography – visual estimate of >50% of flakes within in-situ rock are +300µm



“The objective of metallurgical testwork is to establish the process methodology to get the concentrate grade as high above 94% TGC as possible whilst preserving the highest ratio of the largest flake sizes. In order to float the product and relieve from it the associated gangue minerals, one must grind and attrition the mined material. The finer this is ground, the more damage is done to the jumbo and super jumbo flakes.”

Each deposit is different and if the coarser flakes are present, the process is a trade off between the two deliverables of concentrate grade and flake size ratios to meet customer or market specifications.”

Jumbo Flakes – Ongoing Metallurgical Testwork



- Stage 1 characterisation work completed by Nagrom under management of Battery Limits. Stage 2 underway.
- At this stage a simple 2 stage flotation with staged attrition and cleaning has yielded a concentrate grade of 94.2% TGC with 61% of flake size over 180µm.
- Test work is ongoing and will continue until fully optimised.
- Further bulk sample to be collected from site in April.
- Objective is to match high flake size ratios of Nachu project (5km to the west). Also to increase the recovery of Super Jumbo (+500µm).

Lindi Jumbo Graphite Metallurgical Results and Forecast Price

Size Classification P100 @ 850µm RoScClFo	Mass Ratio %	Grade TGC %	Stormcrow Price est. for 2020	WKT Forecast Basket Price
+500µm Super Jumbo	8	95.4	6,175	471
+300µm Jumbo	27.4	93.5	2,500	640
+180µm Large	25.3	96.3	1,165	284
+180µm Summary Weighted	60.7	94.9		1,396
+150µm Medium	8.1	96.1	517	40
+106µm Small	12.2	95.9	493	58
+75µm Fine	7.7	94.1	359	26
-75µm Very Fine	11.3	86.8	359	35
Total Weighted	100	94.2		1,555

+300µm not included in Stormcrow forecast - consensus estimate

Project Progress - Accelerated Development Plan



Ongoing Project Activities

Location

Appointed Project and Study Manager

Johannesburg

Environmental Impact Assessment underway

Dar es Salaam

Appointed Design and Engineering Partner

Johannesburg

Corporate Structures being optimised

Dar es Salaam

Mining Licence Application being prepared

Dar es Salaam

Product Marketing and off-take enquiries

Perth

Further Resource expansion and upgrade

Site and Perth

Metallurgical Optimisation

Perth and Harare

Project and Development Risk



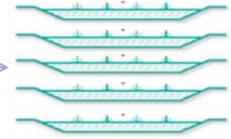
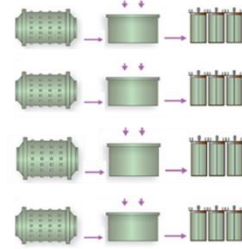
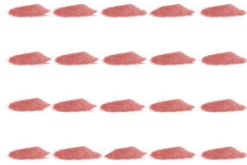
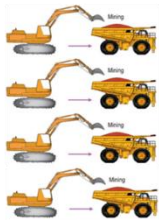
Risk	Sub-Section	Risk Level	Amelioration
Technical	Resource	Low	Plenty of opportunity to increase and diversify
	Grade	Low	Variability is low, mining will be discrete and modest in size
	Metallurgy	Medium	Tested and known results in other projects
	Product	Low	One of the best flake graphite areas anywhere
	Environmental	Low	Other projects have passed environmental requirements
	Geotechnical	Low	Initial tests completed - no evidence of mining risk in small pit
Financial	Capital	Low	Modular system, proven processes, pragmatic size
	Working Costs	Low	Surface mining, modest rate and low risk type mining operation
	Revenue Forecasts	Medium	Unknown due to irregular market activity, oversupply of graphite
Market	Sustaining commodity demand	High	Produce under contract, incremental supply and premium product
	Long term off take	Medium	Premium and customer specific product
	Oversupply and lower prices	Medium	Premium product and robust economic model
Sovereign	Statutory and other	Low	Mature mining destination - Other graphite projects approved
	Local and regional stability	Low	Foreign investment welcome as is regional investment
	Personnel and local population	Low	Well educated, literate rural population
	War and insurrection	Low	Tanzania very stable democracy

Advantages of Higher Grade



Why Grade is King in Flotation Technology

5% TGC Mine Head Grade



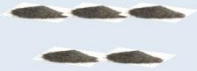
19 tonne to tailings

20 tonne, mine transport and ROM Feed

20 tonne crush, mill and float

1 tonne concentrate at 95% TGC

20% TGC Mine Head Grade



5 tonne, mine transport and ROM Feed

5 tonne crush, mill and float

4 tonne to tailings

The above schematic is conceptual and is not based on any mine grade studies or recovery data



1. High grade resource

- Lower capex
- Lower operating costs
- Expect improved metallurgical recoveries
- Evidence of potential to expand resource

2. Location

- Good infrastructure
- Known working environment
- Potential for low risk expansions

3. Premium product

- Known area of highest ratio of large and Jumbo flakes
- Simple process to achieve target concentrate grades
- Expected to return robust basket price at upper end of scale

4. Project Strategy

- Key to success is early production to mitigate market risk
- Fast track of moderate scale much easier and less costly
- Modular, low risk approach with expansion into known market with certainty

Company Snapshot



Capital Structure	
Share Price	0.4c
Shares on Issue	1.7bn
Options on Issue	0
Market Capitalisation	\$5m
Top 40	51%

WKT \$0.004 ▲ \$0.001 (33.33%) [Add to Watchlist](#) | [Add to Alerts](#) | [Manage Orders](#) [Buy](#) [Sell](#)

WALKABOUT RESOURCE S FPO (ORDINARY FULLY PAID) Mon 21 Mar 2016 6:14 PM (Sydney time)

View Saved Chart:

Compare

Date Range: 1d | 5d | 1m | 3m | 6m | YTD | 1y | 3y | 5y | All | Custom

Draw trend lines



Board and Management

Andrew Cunningham (Technical Director)

- Geologist with 15 years cross discipline experience in Africa.

Thomas Murrell (NED)

- Investor and financial relations specialist with media and marketing experience and background.

Allan Mulligan (Managing Director)

- Mining engineer with 35 years experience in Africa operating and building mines across a diverse range of commodities.

Kim France (CFO and CoSec)

- Broad financial and company secretarial experience in the WA minerals industry.

Bianca Manzi (Senior Geological Consultant)

- Geologist with 12 years experience in African exploration.

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Competent Person

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Andrew Cunningham, who is a Member of The AIG included in a list promulgated by the ASX from time to time. Andrew Cunningham is a director of Walkabout Resources Limited and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Andrew Cunningham consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Resources is based on information compiled by Mr Laurie Barnes, a Competent Person, who is a Member of The Australasian Institute of Mining and Metallurgy. Laurie Barnes is the Principal of Trepannier Pty Ltd, an independent consulting company. Mr Barnes has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr Barnes consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Appendix: Project Strategy and FAQ's



Build a 25,000 tonnes per annum graphite mine with superior flake product.

- **Why 25,000 and not 50,000 tonnes or more per annum?**
 - Because 25,000 tpa is a standard contract package and is a reasonable and pragmatic market parcel.
 - It accommodates our low risk, early cash flow objective because it can be fast-tracked with minimal capital or opex risk.
 - The mine can be commenced with a Mining Licence instead of a Special Mining Licence which is much more onerous.

- **How many tonnes will you need to mine to produce 25,000 tonnes graphite concentrate per annum?**
 - These are approximates but at a head grade of 10% TGC - about 260,000 tonnes per annum and at a head grade of 15% TGC - only about 175,000 tonnes per annum.
 - This is a very small mine with compelling economic metrics but the design philosophy considers that the graphite market will be dynamic and that forecast prices may not be realised.

- **What are the advantages of a relatively small scale of initial operation?**
 - Because it is a manageable mine site, it can be designed, approved, funded and built much quicker and at a much lower capital cost.
 - Grade management within such a mine will also be more precise because the demand for plant feed is reasonable.
 - Risk is reduced since it will be unwise to produce graphite into a future spot market.

Appendix: Project Strategy and FAQ's



FAQ's continued.....

- **What if your customers need more product?**
 - The process plant will be modular so it is easy to expand.
 - The mining operation can be repeated elsewhere on the property once other discrete, high grade resources can be located and explored.
 - This is a dynamic process and capital intensity will always be lower through incremental expansion into an existing market.

- **Why don't you just define a larger resource upfront?**
 - If we did that, we would probably have a much larger but somewhat lower grade resource and would have to mine many more tonnes to produce the same amount of graphite. It was always our strategy to define a shallow modest resource at less cost and grow the project in stages.
 - More capital would be required upfront and risk would be increased.

- **What distinguishes the Lindi Jumbo project from the others in your peer group?**
 - The location is in an area with the highest ratio of Jumbo and super Jumbo flakes known anywhere.
 - The deposit is substantially higher grade and this will materially reduce operational and start-up risk.
 - The staged nature of the planned operation reduces risk and accelerates the development timeline.

Closing



www.wkt.com.au

+61 6298 7500

Level 3, 681 Murray Street

West Perth WA 6005